VZCZCXRO1809
PP RUEHCHI RUEHCN RUEHDT RUEHHM
DE RUEHHI #0202/01 0651007
ZNY CCCCC ZZH
P 061007Z MAR 09
FM AMEMBASSY HANOI
TO RUEHC/SECSTATE WASHDC PRIORITY 9252
INFO RUEHZS/ASEAN REGIONAL FORUM COLLECTIVE PRIORITY
RUEHHM/AMCONSUL HO CHI MINH PRIORITY 5648
RUCNDT/USMISSION USUN NEW YORK PRIORITY 0270

C O N F I D E N T I A L SECTION 01 OF 04 HANOI 000202

SENSITIVE SIPDIS

FOR EAP/MLS

E.O. 12958: DECL: 03/06/2019

TAGS: PREL PGOV PHUM ECON ETRD UNSC MNUC BM VM

SUBJECT: DAS MARCIEL'S HANOI MEETINGS

HANOI 00000202 001.2 OF 004

Classified By: PolCouns Brian Aggeler. Reasons 1.4 (b.d)

(C) In a wide-ranging set of meetings in Hanoi February 25, EAP Deputy Assistant Secretary Scot Marciel emphasized the continued progress in U.S.-Vietnam relations. His counterparts, including VFM Pham Binh Minh, AFM Bui Thanh Son, and Office of Government DG Buy Hui Hung, voiced enthusiasm for Secretary Clinton's Asia trip, in particular her visit to the ASEAN Secretariat in Jakarta. The Vietnamese welcomed the Secretary's invitation for enhanced consultations on Burma, but had little new to offer. Vietnam remains optimistic about ASEAN, political instability in Thailand notwithstanding, and looks forward to chairing the Association in 2010. The two sides agreed that cooperative efforts were needed to address climate change and discussed ways to enhance economic engagement. Vietnam expressed general support for the DOE's Megaports initiative; DAS Marciel encouraged Vietnam to conclude an agreement to remove the remaining spent fuel from its research reactor in Dalat. VFM Minh responded dyspeptically, however, on the issue of the HCMC consular district, acknowledging that ongoing restrictions on travel were a negotiating tactic. On a more inspiring note, DAS Marciel met with one of Vietnam's most prominent human rights attorneys, who urged the United States to continue its efforts on behalf of political dissidents. END SUMMARY.

The Secretary's Asia Trip: A "Good Signal"

12. (SBU) Vice Foreign Minister Pham Binh Minh began the conversation with an emphatic endorsement of the Secretary's visit to Indonesia, in particular her call on the ASEAN Secretariat, explaining that it sent a "good signal" that the United States was committed to the region. There had been a perception -- perhaps unfair, perhaps not -- that the United States was less than fully engaged in Asia, the VFM insisted, and the Secretary's trip did much to alleviate these worries. In separate meetings, Assistant Foreign Minister Bui Thanh Son and Office of Government (OOG) Director General Buy Hui Hung echoed Minh's positive assessment, noting that the global economic crisis and climate change were just two of the many issues that require intensive cooperation. VFM Minh cited favorably the Secretary's remark in Beijing that the United States and Asia were in the same boat and should row in the

Bilateral Relations: Continuing the Momentum

13. (C) Turning to bilateral relations, DAS Marciel and VFM Minh agreed that it was important to continue the positive momentum built up over the past several years. Minh expressed concern that the Secretary's trip notwithstanding, the new administration would be consumed with domestic economic issues and renewed an earlier invitation for the Secretary to visit Hanoi; he also inquired about the possibility of a visit by House Speaker Pelosi. AFM Son stated that in addition to the Ministers of Public Security and Defense, other prominent members of the politburo were considering visits to the United States, including National Assembly Chairman Nguyen Phu Trong and the head of the CPV Secretariat Truong Tan Sang. On a personal note, Son said that he was eager to resume policy planning discussions in Washington, perhaps in the third quarter of this year.

Burma, China, and ASEAN

14. (SBU) VFM Minh and AFM Son expressed appreciation for the Secretary's comments on Burma -- but focused more on the acknowledgment that sanctions had not worked than on the comment, equally true, that ASEAN's policy of engagement had also been less than satisfactory. Invited to provide constructive suggestions, the Vietnamese demurred but eagerly welcomed the opportunity to consult further. DAS Marciel emphasized that failed governance had not only been disastrous for human rights in Burma but had driven the country's health and educational systems to the

HANOI 00000202 002.2 OF 004

brink of ruin. Moreover, as the plight of the Rohingyas demonstrated, Burma's internal repression, paranoia, and insularity had inevitable consequences for the region. Through its own experience, Vietnam understood the benefits of economic reform and diplomatic engagement; anything that Vietnam could do to persuade Burma to open up would be welcome, DAS Marciel stressed. DG Hung acknowledged that Vietnam was one of the few countries that can "talk to Burma," but cautioned that Vietnam's influence remained limited.

- 15. (C) DAS Marciel's official counterparts voiced familiar complaints about China, but these were comparatively muted. VFM Minh praised the recently completed demarcation of the land border with China (ref C) as a positive step. AFM Son
- engaged in a bit of numerology, joking that years ending in
 "9" had been bad ones for China-Vietnam relations (ref D); he
 hoped
- this year would be better. Both he and VFM Minh cited continuing territorial disputes in the South China Sea (referred to in Vietnam as the "East Sea") and identified it, along with economic recovery and Burma, as one of the biggest challenges facing ASEAN.
- 16. (C) AFM Son was, nevertheless, generally optimistic about ASEAN. It was an unfortunate coincidence, Son conceded, that political instability in Thailand coincided with its (extended) term as ASEAN Chair. The decision to postpone the ASEAN summit was embarrassing; more damaging was the fact that the summit occurred without ASEAN's usual range of dialogue partners. (Comment: To this we might add the decision by the "plus three" countries, Japan, China, and South Korea, to meet without ASEAN. End comment.) Still, Son maintained that the trend was positive for ASEAN, citing the Association's new charter and signs of renewed U.S. engagement. Son said that Vietnam was eager to take on the role of ASEAN Chair in 2010 and would welcome U.S. advice on how ASEAN could

better promote its external relationships.

Economic Engagement

17. (SBU) DAS Marciel's meeting with the Office of Government focused largely on economics and trade. DG Hung noted that the will be leading a delegation to the United States to discuss economic engagement under the Trade and Investment Framework Agreement (TIFA) and expects to discuss Vietnam's push to be included under the Generalized System of Preferences (GSP), as well as textile monitoring, catfish, and beef. DG Hung acknowledged continuing U.S. concerns over labor standards, but pleaded for patience, arguing that the National Assembly would pass the necessary legislation by 2011. Dismissing the possibility of making the necessary labor changes in a more expedited fashion through a Prime Ministerial decree, DG Hung insisted that a legislative fix was necessary. He suggested that the scale of Vietnam's reforms in this area merited "exceptional" treatment.

Climate Change, Disaster Assistance

18. (SBU) Citing climate change as an area for further cooperation, DAS Marciel noted the good work being done by the U.S.-funded Dragon Institute in Can Tho and indicated that the United States would be interested in participating in regional initiatives, perhaps in coordination with the Greater Mekong Sub-Region. VFM Minh concurred, noting that climate change will be a major theme when Hanoi hosts the May 25-26 Asia-Europe Meeting (ASEM). Minh emphasized that as a country with an extremely long coastline and two important rice-producing deltas, Vietnam would be severely affected by climate change. Already, he said, Vietnam had been hit by "strange weather." (Note: AFM Son also remarked on Vietnam's odd weather during policy planning talks in October, which took place during the worst flooding to hit Hanoi in fifty years. See ref A. End note.) In discussions with VFM Minh and with OOG Director Hung, DAS Marciel encouraged Vietnam to consider participating in disaster assistance exercises that the Phi lippines plans to host in coordination with the ASEAN Regional Forum in May.

Highly Enriched Uranium and Megaports

HANOI 00000202 003.2 OF 004

- 19. (C) DAS Marciel urged Vietnam to formally respond to the U.S. dipnote on the second state of the transfer of Russian-origin spent nuclear fuel from the research reactor at the Nuclear Research Center at Dalat. VFM Minh and DG Hung assured DAS Marciel that Vietnam supported the initiative and promised to look into it. (Note: The CDA repeated the message in a March 2 conversation with the MFA's Director General for Internal Organizations Le Hoai Trung, as reported in ref B. We have re-submitted the diplomatic note and the MFA has acknowledged it needs to respond quickly. End note.)
- 110. (C) DAS Marciel also raised the Department of Energy's Megaports initiative to detect the illicit transfer of radioactive material, noting that this was in instance where both sides could benefit by cooperating on an issue of shared global concern. DG Phuc confirmed that Vietnam Customs had forwarded its report and positive recommendations for interagency review and said that this was a project that his office, in principle, supported. OOG Chairman Nguyen Xuan Phuc also voiced general support in a meeting with the Ambassador the following day. Over dinner, the MFA's Director General for Mulitlateral Economic Cooperation, Nguyen Nguyet Nga said that the MFA supports signing the Megaports MOU, but cautioned that

"other agencies" are reviewing the memorandum. (Note: Based on earlier conversations with Nga's deputy, DDG Nguyen Danh Hung, we take this to mean the Ministries of Defense and Public Security. End note.)

HCMC Consular District: So Close, and yet...

- 111. (C) DAS Marciel emphasized that the U.S. and Vietnam were not very far apart, with general agreement on a 22-province consular district, the right to open consulates in Houston and Danang, and future consideration for the opening of a consulate in New York. Unfortunately, increasing restrictions on ConGen HCMC travel -- seven trips denied in the past few weeks alone -- were generating an extremely negative reaction in Washington. If the GVN intended this as a negotiating tactic, it was having the opposite effect, DAS Marciel stressed. He suggested, pointedly, that if these restrictions continued, the Department might have to issue a travel warning; the Ambassador added that official visas might also be delayed if Embassy consular were forced to take over ConGen HCMC's investigative and verification duties.
- 112. (C) VFM acknowledged that the travel restrictions were a negotiating tactic, but then insisted -- incongruously -- that they were not all that significant and not designed to apply pressure. Chalking it up to a "misunderstanding," Minh said that there were only a "few" restrictions and that these would only remain in place while negotiations continued. He agreed, however, that the two sides were close and said that the only item that remained was fining some way for Vietnam's UN mission in New York to issue visas. He suggested that the matter could ultimately be finessed by inserting "future" into the wording of the diplomatic note acknowledging the agreement. DAS Marciel and the Ambassador cautioned that the differences over New York were substantive, not simply semantic, but said that they would look forward to seeing Vietnam's response to our latest diplomatic note on the subject.

Meeting with Human Rights Attorney Le Cong Dinh

(C) Apart from his official meetings, DAS Marciel hosted a coffee with Le Cong Dinh, a well-established corporate lawyer who has also represented some of Vietnam's most prominent dissidents, including Bloc 8406 members Le Thi Cong Nhan and Nguen Van Dai (themselves attorneys), as well as blogger Dieu Cay. A former Fulbright Program participant with an LLM from Tulane, Dinh was in December forced to step down from his position as Vice President of the Ho Chi Minh City Bar Association due to his involvement in politically sensitive cases. He said that he is now monitored by the security services and has been audited several times, but is allowed to travel overseas and has even represented the HCMC People's Committee in civil cases before local courts. Although no longer Vice President, Dinh remains active in the HCMC Bar and is currently leading the Association's efforts to launch a new legal research center focusing on human rights and the provision of legal aid.

HANOI 00000202 004.2 OF 004

114. (C) Dinh highlighted a "tightening" of the human rights situation in Vietnam, which he attributed to blowback from the PCI corruption scandal. He termed plans to abolish local People's Councils "quite dangerous" (ref E). An expert in dispute resolution, Dinh said that the Councils, though inefficient and often corrupt, are now frequently the only avenue for settling land disputes. Dinh urged the United States to continue to express concern over specific human rights cases, arguing that the GVN pays close attention to which cases the United States raises and which it does not. On a more positive note, Dinh said that

religious freedoms have expanded overall and agreed with the 2006 decision to remove Vietnam from the list of Countries of Particular Concern.

 $\underline{\P}15$. (U) This cable was coordinated with ConGen HCMC. MICHALAK